

MAR 31 2000

## LONGVIEW FIBRE COMPANY

MAIN OFFICE AND MILL • LONGVIEW, WASHINGTON 99032  
1-206-425-1800

March 30, 2000

Greg Graham  
U.S. Army Corp of Engineers  
Walla Walla District  
201 N. Third Avenue  
Walla Walla, WA 99362

Dear Mr. Graham:

Longview Fibre Company, which utilizes Lower Snake River barge transportation of wood-chips for papermaking at our Longview, Wash., mill, strongly opposes breaching of the four dams on the Lower Snake related to the ongoing fish-recovery issues for these reasons:

- 1 \* Dam breaching and removal of barges from the Lower Snake would increase our wood-chip shipping costs about 133%, or an estimated \$2 million more annually, if we were forced to ship by rail (if rail capacity was even available). Longview Fibre's chip plants at the Ports of Wilma and Lewiston annually barge-ship approximately 300,000 tons of chips to our large Longview mill, which represents a significant part of the raw material required to run the Longview operations that employ about 2000 people in the Lower Columbia region. Projected over a decade, these increased shipping costs would mount to at least \$20 million in extra burden on our company.
- 2 \* In addition to excessive freight costs, converting from barge to rail would require Longview Fibre spending an estimated half-million dollars more in constructing rail sidings and chip-loading facilities at our Ports of Wilma and Lewiston operations. Our increased costs for shipping by rail would total some \$2½ million in the first year. As for considering changing to rail, there aren't enough rail-cars available for shipping wood-chips, wheat and other commodities now carried by barge (and if there was massive rail-car building they would be cost-prohibitive in this situation). The rail system and highways cannot handle the freight presently transported by barges on the Snake River system. Barging is not only the lowest-cost, efficient transportation mode, it helps keep Washington and Oregon highways safer plus provides cleaner air -- compared to substituting use of trucks.
- \* Sacrificing these dams that generate hydroelectric power would ultimately result in higher energy costs for regional users including industry like Longview Fibre. Our Longview mill is a major user of power from Bonneville, and this significant cost would be on top of the higher transportation costs.
- \* Also, it is our understanding that sedimentation from dam-breaching could create an adverse environmental impact in the Rivers.

Longview Fibre has lost millions of dollars in the past two years because of the worldwide slump in paper markets. We must compete successfully in the highly-competitive domestic and global

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markets to survive. Breaching Lower Snake dams and taking barges off the river would disrupt our vital raw-material supply line, create costly energy concerns, raise our overall costs substantially, and could jeopardize employment at our Longview operations with a related negative affect on the Lower Columbia economy. Our annual payroll is \$92 million, and yearly local purchases, tax payments approximate \$86 million.

Removal of these dams that are essential links in our Columbia River water-transportation system and generate power is too extreme. Breaching may not help fish, and it will severely hurt the region's economy. A recovery plan is needed that rebuilds fish runs and maintains a healthy economy.

Very truly yours,



R. P. Wollenberg  
President and Chief Executive Officer

jb

cc: Sen. Slade Gorton  
Sen. Patty Murray  
Cong. Brian Baird  
Cong. Doc Hastings  
Cong. Jennifer Dunn  
Cong. Norm Dicks  
Cong. George Nethercutt  
  
Gov. Gary Locke

Sen. Gordon Smith  
Sen. Ron Wyden  
Cong. Greg Walden  
  
Gov. John Kitzhaber  
  
Idaho, Montana  
Cong. Members

## TELECOMMUNICATIONS COVER SHEET

LONGVIEW FIBRE COMPANY  
End of Fibre Way  
P. O. Box 559  
Longview, WA 98632

## Switchboard Use Only:

Date Sent \_\_\_\_\_ Time \_\_\_\_\_  
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FAX - 360-575-5934  
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## PLEASE DELIVER THIS TRANSMISSION TO:

Name Greg Graham  
Office U.S. Army Corps of Engineers  
FAX Number (509) 527-7832

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## THIS DOCUMENT IS FROM:

Name Curt Copenhagen

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